

February 11, 2015

The Honorable Joe Pitts
Chairman
Health Subcommittee
Energy and Commerce Committee
U.S. House of Representatives
Washington, DC 20515

The Honorable Gene Green
Ranking Member
Health Subcommittee
Energy and Commerce Committee
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Pitts and Ranking Member Green:

The Coalition for ICD-10, a broad constituency of organizations from across the health care spectrum, thanks you for holding this hearing today on ICD-10 adoption. A number of our coalition partners will be testifying today to tell the Committee: **We need ICD-10, and we're ready.**

As you know, the Coalition for ICD-10 (<http://coalitionforicd10.org/>) is a broad-based healthcare industry group, including hospitals, health plans, hospital and physician office coding experts, physician office managers, vendors, medical device manufacturers, and the health informatics and information technology (HIT) community. We are all united in strong support of the U.S. implementation of the scheduled October 2015 implementation of the ICD-10 coding standard. We all strongly oppose any steps to delay this implementation date.

We need ICD-10. As representatives of the majority of the health care sector, we believe that ICD-10 is a long overdue replacement for the outdated ICD-9-CM system for reporting diagnosis and procedure information. ICD-9 lacks adequate information to establish fair payment and judge quality. The reality is with ICD-9 we often don't know what really wrong with the patient or what procedures were performed. Often ICD-9 does not allow us to establish fair payment levels, evaluate outcomes, or understanding complication rates.

We need a modern code set to reflect the advances of our innovative and modern health care system. As efforts are made to reform health care reimbursement to reward value over volume, we need ICD-10. If we are to rate hospitals and physicians based on their outcomes, we need ICD-10. If we are to better assess what procedures, technologies, or approaches best aid improving patient care, we need ICD-10. ICD-10 also allows us to better respond to health or national security threats with codes that better allow us to track pandemics, epidemics, and other threats. ICD-10 improves patient safety and care with severity of illness information that can help assess population health and create disease prevention models.

We are ready. ICD-10 implementation delays have been disruptive and costly for all of the coalition members, as well as to health care delivery innovation, payment reform, public health, and health care spending. Significant investments were made by members of our coalition to prepare for the October 2014 implementation prior to enactment of the most recent delay. Many of us had to quickly reconfigure systems and processes that were prepared to use ICD-10 back to

ICD-9. Newly trained coders who graduated from ICD-10 focused programs were unprepared to find jobs using the older code set.

HHS has estimated the cost of the most recent delay at \$6.8 billion; further delays beyond October 1, 2015 range from \$1 billion to \$6.6 billion in additional costs. Nearly three quarters of the hospitals and health systems surveyed just before the current delay were confident in their ability to successfully implement ICD-10. Retraining personnel and reconfiguring systems multiple times in anticipation of the implementation of ICD-10 is unnecessarily driving up the cost of healthcare.

Coalition members are working together and with HHS to ensure a smooth and successful transition in 2015. We support the end-to-end testing being done by CMS and are encouraging all of our members to participate in these opportunities. In addition, members of our coalition are engaging in significant efforts to identify and educate those in need of assistance to be ready for the 2015 implementation, including payer-provider collaboratives, training and outreach initiatives, and programs to help coders maintain their new code set skills.

We thank the Committee again for its focus on this important issue. We urge the Committee to avoid any further delays of this needed coding update. We look forward to working with you to ensure a smooth transition to this critically needed coding upgrade.

Sincerely,

The Coalition for ICD-10

cc:

The Honorable Fred Upton
Chairman
Energy and Commerce Committee
U.S. House of Representatives
Washington, DC 20515

The Honorable Frank Pallone
Ranking Member
Energy and Commerce Committee
U.S. House of Representatives
Washington, DC 20515

Coalition for ICD-10 Members:
(<http://coalitionforicd10.org/about>)

3M Health Information Systems
Anthem
Advanced Medical Technology Association (AdvaMed)
Altegra Health
America's Health Insurance Plans (AHIP)
American Health Information Management Association (AHIMA)
American Hospital Association (AHA)
American Medical Billing Association (AMBA)
American Medical Informatics Association (AMIA)
Bayer Medical Group
BlueCross BlueShield Association
College of Healthcare Information Management Executives (CHIME)
Health IT Now Coalition
Healthcare Financial Management Association (HFMA)
Healthcare Leadership Council
Leidos Health
Medical Device Manufacturers Association (MDMA)
Medtronic
Nemours Children's Health System
Premier
Professional Association of Health Care Office Management (PAHCOM)
Roche Diagnostics Corporation
Smith & Nephew